

[By Daniel Whitten, Bloomberg News](#)

President Barack Obama's plan to help homeowners pay for energy improvements, nicknamed "cash for caulkers," would also aid companies such as insulation maker Dow Chemical Co. and retailers Home Depot Inc. and Lowe's Cos.

Dow's sales of Styrofoam insulation, sealants, polyurethane foams, tapes and adhesives may be boosted by the program, said Bob Plishka, a Dow spokesman.

"The president's proposals on weatherization and industrial energy efficiency will have the triple benefit of creating jobs quickly, saving consumers money and reducing our nation's carbon footprint," Plishka said in a statement.

Rebates for residences that are made more energy-efficient were proposed by Obama in a speech yesterday calling for new spending to cut the U.S. jobless rate. Lawmakers and business executives suggested the project, and the term "cash for caulkers," as a way to replicate this year's "cash for clunkers" auto rebate program.

"I'm calling on Congress to consider a new program to provide incentives for consumers who retrofit their homes to become more energy-efficient, which we know creates jobs, saves money for families and reduces the pollution that threatens our environment," Obama said at the Brookings Institution in Washington.

The president didn't use the program's nickname or provide specifics, such as the amount of the rebates or cost. It would have to be approved by Congress.

'Help Homeowners'

"This kind of energy program will help homeowners gain back some of the value they may have lost over the past few years," Chris Ahearn, a spokeswoman for Mooresville, North Carolina-based Lowe's, said in a phone interview yesterday. "It will also help contractors who want to get back to work or add work."

Lowe's is the second-biggest U.S. home-improvement retailer after Home Depot.

"We support the idea of any program that provides incentives to consumers to make their homes more energy- efficient," Atlanta-based Home Depot said in a statement. "A national program on this topic would help bring visibility to the simple things that can be done to reduce household energy use."

Under the cash for clunkers program that ended Aug. 24, consumers were able to get as much as \$4,500 when trading in older vehicles for new, more fuel-efficient models. The Transportation Department has distributed \$2.85 billion under the program.

Lawmaker's Proposal

Representative Peter Welch, a Vermont Democrat, said he proposed \$20 billion in energy-efficiency rebates over two years in an Oct. 29 memo to Rahm Emanuel, Obama's chief of staff.

The rebates would put 600,000 to 850,000 Americans to work retrofitting 5 million homes and saving \$3.3 billion in energy costs, Welch said.

Obama's version would cost billions of dollars, not tens of billions, a senior administration official told reporters yesterday.

John Doerr, a partner at the venture capital firm Kleiner Perkins Caufield & Byers in Menlo Park, California, called for Obama to initiate the rebates at a meeting of the president's Economic

Recovery Advisory Board on Nov. 2.

"Cash for clunkers mobilized all of America's car dealerships and caused change very rapidly," Doerr, an early investor in Google Inc. and Amazon.com, said. "Well, the equivalent of that for home retrofits would be cash for caulkers."

Industrial Projects

Obama also proposed expanded stimulus funding for industrial energy efficiency and clean-energy projects, such as the manufacture of wind turbines and solar panels, without saying how much would be spent.

The Energy Department and Internal Revenue Service are reviewing applications for \$2.3 billion in tax credits for manufacturing renewable-energy products, fuel cells and conservation technologies.

Obama said some worthy energy proposals for funding "did not make the cut" in the \$787 billion stimulus program enacted in February, because of a large number of applications.